



United States Attorney's Office
District of Columbia

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Former Owner of DC Live, Platinum, and H20 Nightclubs Sentenced to Prison for Tax Evasion

WASHINGTON - The former owner of the District of Columbia nightclubs DC Live, Platinum, and H20, Abdul Karim Khanu, was sentenced today to a 38-month prison term by a federal judge as a result of his conviction on tax evasion charges for his personal income tax returns, announced U.S. Attorney Ronald C. Machen Jr., John A. DiCicco, Acting Assistant Attorney General for the Tax Division, U.S. Department of Justice, and C. André Martin, Special Agent in Charge, Criminal Investigation, IRS, Washington Field Office. Khanu, 42, of Potomac and Bowie, Maryland, was sentenced by the Honorable Colleen Kollar-Kotelly, of the U.S. District Court for the District of Columbia. He was also sentenced to three years of supervised release and ordered to pay restitution in the amount of \$951,520. Khanu was found guilty on December 1, 2009, of two counts of evasion of his personal tax returns for the years 2002 and 2003.

According to the facts presented at trial, Khanu owned and operated two nightclubs on F Street in the District, named DC Live (and later VIP) and Platinum, from at least 2000 through 2003. Khanu skimmed millions of dollars of cash from the club to pay employees cash wages and for personal use. Search warrants executed at the defendant's home yielded \$1.9 million in cash as well as numerous records reflecting a double set of books and records. The government presented evidence at trial showing that Khanu's use of cash far exceeded his known, legitimate sources, and that Khanu evaded the payment of taxes on millions of dollars of revenue.

"Today's sentencing is a direct result of the excellent partnership the IRS-Criminal Investigation and the U.S. Attorneys Office have in combating violations of Federal law," stated C. André Martin, Internal Revenue Service-Criminal Investigation Special Agent in Charge, Washington D.C. Field Office. "This sentence should serve as a deterrent to those who might contemplate committing tax evasion or similar fraudulent crimes."

In announcing the sentence, U.S. Attorney Ronald C. Machen Jr, Acting Assistant Attorney General DiCicco, and IRS Special Agent in Charge Martin commended the investigative efforts of the IRS Special Agents in the case, Mary Anne Veloso and Ron

Hudson, as well as Assistant U.S. Attorneys John Roth and Howard Sklamberg and Department of Justice Tax Attorneys Michael Vasiliadis and Patrick J. Murray. Paralegals and support staff from the U.S. Attorney's Office, including Anne Riopelle, Diane Hayes, Sarah Reis, Tasha Harris, Carolyn Cody, Jamasee Lucas, Maggie McCabe and Mary Treanor, were also commended for their effort.

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